## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT Division of Housing Policy Development

1800 Third Street, Suite 430 P. O. Box 952053 Sacramento, CA 94252-2053 (916) 323-3177 FAX (916) 327-2643



January 3, 2005

Mr. Peter Woolson Acting City Manager City of Avalon P.O. Box 707 410 Avalon Canyon Road Avalon, CA 90704

Dear Mr. Woolson:

## **RE:** Review of the City of Avalon's Draft Housing Element

Thank you for submitting the City of Avalon's draft housing element, received for review on November 14, 2004. The Department is required to review housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation on December 2004 with Ms. Amanda Cook, Planning Technician, and Ms. Veronica Tam, the City's consultant, helped facilitate the review.

The draft element includes a general overview of housing needs and conditions in Avalon and establishes the basic program framework to address future housing needs. The Department commends the City for taking steps to address the unique land-use and housing development challenges faced by your community, including increasing the supply of affordable housing through the development of the Bird Park and Beacon Hill projects. However, revisions are needed to comply with State housing element law (Article 10.6 of the Government Code). For example, the element must be expanded to provide more information concerning the City's potential governmental constraints, including proposed permit processing procedures. Specifically, the element requires the following revisions:

### A. Housing Needs, Resources and Constraints

1. Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)).

<u>Homelessness</u>: The element indicates the homeless/transient worker population during the peak season (summer) exceeds 100 individuals (page 2-21). It appears the number of beds provided by existing faith based organizations is not sufficient to accommodate the City's need for emergency shelter and transitional housing. Avalon is proposing two specific implementation actions to address the identified need. First, Action 2 commits the City to amend the Zoning Ordinance to allow emergency shelters and transitional housing as a conditional use in the Public and Resort/Recreational zone.

Second, to address the peak year need, the City is proposing to form a consortium to help fund the establishment of a campground type facility to house summer help (Action 9). The element must analyze the effectiveness and appropriateness of this approach to address the City's annual increase in the local workforce. We would be happy to provide information about other more effective strategies and resources to address this need. In addition, we recommend the City contact Ms. Lois Starr of the County of Los Angeles' Community Development Commission at (323) 890-7431 for additional options and possible solutions to the peak season workforce housing problem.

2. Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 (Section 65583(a)(4)).

On- and Off-Site Improvements: The element does not address this statutory requirement. According to Ms. Tam, Avalon's improvement requirements are embodied in the City's master plan. The element should describe and analyze the City's on- and off-site improvements for residential development such as its requirements for street widths, curbs, gutters, and sidewalks, water and sewer connections and circulation improvements required for residential developments.

# **B.** Housing Programs

1. Include a program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land-use and development controls, and provision of regulatory concessions and incentives. The housing element shall contain programs, which assist in the development of adequate housing to meet the needs of low- and moderate-income households (Section 65583(c)).

To ensure the City's proposed housing development and assistance program strategies will be effective during the planning period, the following implementation actions should be revised and/or strengthened.

<u>Action 3</u>: Describe specifically how the City's First Time Homebuyer assistance program will be revised. For example, indicate if the City will be revising its threshold income criteria, describe the amount of subsidy the City is now anticipating to provide to qualified applicants, and indicate number of households (by income) expected to be served by this program each year for the remainder of the planning period.

- <u>Action 11</u>: Continued success of the City's housing assistance programs is greatly dependant on the City's successful procurement of local, State, and federal funding. Therefore, this implementation action should be strengthened describe the City's specific role in preparing and assisting with funding applications (e.g., preparing pro forma analyses and/or providing prospective applicants with demographic information). In addition, include specific application timelines and indicate how the City will promote the availability of housing assistance funds to lower- and moderate-income households (i.e., newsletter, brochure, or web page). If promotional materials need to be prepared, provide a timeline as to when they will be completed and made available.
- 2. Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities, including sewer collection and treatment, domestic water supply, and septic tanks and wells, needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, housing for emergency shelters and transitional housing (Section 65583(c)(1)).
  - <u>Action 2</u>: In conjunction with the City's effort to amend the zoning ordinance, the element should demonstrate that Public and Resort/Recreational zoned sites are available and appropriate to provide realistic development opportunities. The City should work with local services providers, housing advocates, and for and non-profit developers to identify and analyze the suitability of these site. Lastly, the element should describe how the proposed conditional use permit process will encourage and facilitate the development of emergency shelters and transitional housing.
- 3. Include program actions to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for all income levels (Section 65583(c)(3)).
  - As noted previously (A.1), the draft element requires a more thorough description of potential governmental constraints. Depending upon the results of this expanded analysis and revisions otherwise made, the City may need to add programs to remove or mitigate any identified constraints.

Housing Constraints for Disabled Persons: The element acknowledges the zoning ordinance needs to be amended to address small group homes and care facilities (page 3-7). Therefore, the element should be expanded to include a program that commits the City to taking proactive steps to ensure the City will offer "reasonable accommodations" to persons with disabilities and preparing and completing the requisite zoning ordinance amendments by date certain, similar to commitment described Action 2. This new program should also incorporate the reasonable accommodation procedures as currently being employed by the City (page 3-14).

- 4. The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin color, familial status or disability (Section 65583(c)(5)).
  - Action 14: Commits the City to making fair housing materials available on a website and a public counter. To be effective however, this program should include broader dissemination of fair housing information. For additional guidance please refer to pages 1 through 4 of HCD's "Qs and As" publication. In addition, given the diversity of the City's residents (see Table 2-2), the City should consider providing written materials in Spanish and other appropriate languages.
- 5. Describe the amount and uses of moneys in the redevelopment agency's Low- and Moderate Income Housing Fund (L&M Fund (Section 65583(c)).

According to the element, Avalon's Community Improvement Agency (ACIA) has approximately \$4 million of redevelopment 20 percent set-aside revenues. However, the element should be expanded to provide an estimate of the set-aside revenues through the remainder of the 2000-2006 planning period, along with a description of the proposed uses. The element should contain both an estimate of amounts that will be deposited to the Housing Fund and identify planned uses of housing funds over the current planning period. For your information, Community Redevelopment Law (Health and Safety Code Section 33334.4) requires agencies, over each ten year period of the implementation plan, to ensure housing assistance is proportionately provided to very low- and low-income households (based on the proportion each group represents of the community's total housing need for lower- and moderate-income persons) and also to persons under the age of 65 years (based on the proportion this population group represents of the total population reported from the current census). In addition, Section 33413(b)(4)) requires a redevelopment implementation plan to be consistent with a community's housing element. The integration of applicable information from the redevelopment agency's current housing implementation plan into the housing element will assist in the development and implementation of an effective housing element.

#### C. Coastal Zone Localities

Document the number of low- and moderate-income units converted or demolished, and the number of replacement units provided (Section 65588).

To determine whether the City's affordable housing stock in the coastal zone is being protected and provided as required by Government Code Section 65590, the element must be expanded to identify/inventory the number of low- and moderate-income dwelling units that have been replaced, demolished, and/or converted, within the coastal zone, since January 1, 1982.

In closing, the construction of the Bird Park, Beacon Hill, Marilla Street, and Sumner Street projects has resulted in the addition of 49 new units to the City's housing stock for lower- and moderate-income households. The Department commends Avalon for exceeding its share of the Regional Housing Need (RHNA) for the 2000-2006 planning period. Since the draft element demonstrates the City has accommodated its current regional share need, and includes programs to continue addressing its housing need, the element does not require further revision to the land inventory. However, for your information, with the chaptering of AB 2348 (Chapter 724, Statutes of 2004) which takes effect January 1, 2005, the next housing element update must include a more thorough land inventory analysis. This new statutory provision will require land inventories to be parcel specific and, at a minimum, describe the number of parcels, zoning, environmental characteristics, and general location of available sites (especially in relation to existing services and facilities) associated with each of the potential housing opportunity areas (e.g., Bird Park, Old Tremont, Pebbly Beach, and Island Plaza). Avalon's next housing element update should also analyze how MD, HD/SC and L/M designated sites could accommodate the development of housing for lower-and moderate-income households.

The Department hopes our comments are helpful and would be glad to assist Avalon in addressing the above requirements. The Department is appreciative of the efforts and assistance Ms. Tam provided during the review process. If you would like to schedule a meeting in Avalon or Sacramento or have any questions or concerns, please contact Don Thomas, of our staff, at (916) 445-5854.

Sincerely,

Cathy E. Creswell
Deputy Director

cc: Veronica Tam, Cotton Bridges Associates

Mark Stivers, Senate Committee on Transportation & Housing Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office

Terry Roberts, Governor's Office of Planning and Research

Nick Cammarota, California Building Industry Association

Marcia Salkin, California Association of Realtors

Marc Brown, California Rural Legal Assistance Foundation

Rob Weiner, California Coalition for Rural Housing

John Douglas, AICP, Civic Solutions

Deanna Kitamura, Western Center on Law and Poverty

S. Lynn Martinez, Western Center on Law and Poverty

Alexander Abbe, Law Firm of Richards, Watson & Gershon

Michael G. Colantuono, Colantuono, Levin & Rozell, APC

Ilene J. Jacobs, California Rural Legal Assistance, Inc.

Richard Marcantonio, Public Advocates
Fair Housing Council of the San Fernando Valley
Mark Johnson, Legal Aid Foundation of Los Angeles
Dennis Rockway, Legal Aid Foundation of Long Beach
Chancela Al-Mansour, Los Angeles County Neighborhood Legal Services
Karen Warner, Karen Warner Associates
Min Chang, Neighborhood Legal Services of Los Angeles County
Michael Bodaken, San Fernando Valley Neighborhood Legal Services
David Booher, California Housing Council
Jonathan Lehrer-Graiwer, Attorney at Law
Ana Marie Whitaker, California State University Pomona
Joe Carreras, Southern California Association of Governments
Won Chang, Attorney at Law, Davis and Company
Jacob Lieb, Southern California Association of Governments
Lynne Fishel, Building Industry Association